



**THE CORPORATION OF  
NEWHAM COLLEGE OF FURTHER EDUCATION  
BOARD OF GOVERNORS**

**MINUTES OF THE BOARD MEETING HELD ON  
22<sup>ND</sup> SEPTEMBER 2015**

**MEMBERS PRESENT:** Parin Bahl (Chair), Di Gowland, Andrew Clark, Andrew Hughes, Quintin Peppiatt, Andrew Edwards, Linda Jordan, Nnenna Ayanwu, Kim Bromley-Derry

**IN ATTENDANCE:** Anil Nagpal, Annette Cast and Zioge Smith (Clerk to the Corporation), Beryl Hughes

**15/57 APOLOGIES**

Apologies for absence were received from Martin Cumella; Apologies for lateness were received from Nnenna Ayanwu and Linda Jordan.

**15/58 DECLARATIONS OF INTEREST**

Linda Jordan in respect of matters concerning NewTEC.

Parin Bahl and Di Gowland in respect of matters concerning Learning Revolution Trust.

Di Gowland and Andrew Hughes in respect of NHCL.

Quintin Peppiatt and Kim Bromley-Derry in respect of matters concerning London Borough of Newham.

**15/59 ELECTION OF THE CHAIR AND VICE CHAIRS OF THE BOARD**

Nominations for the Chair and Vice Chairs during 2015/16 were sought.

Andrew Edwards nominated Parin Bahl as Chair, seconded by Quintin Peppiatt. All Board members except Andrew Hughes voted by show of hands for Parin Bahl.

There were no other nominations. Parin Bahl accepted and took the Chair. Parin Bahl nominated Andrew Clark as Vice Chair, seconded by Di Gowland.

Andrew Edwards nominated Quintin Peppiatt as Vice Chair, seconded by Parin Bahl.

There were no other nominations.

The Chair gave the following updates:

- The Clerk had accepted a new job with the University of the Arts, London and would be leaving at the end of November. Beryl Hughes PA to the Principal had been invited to the meeting in order to follow up any actions ensuing from this meeting.
- Steve Bagley from the SFA had asked to attend the December Board meeting to discuss Local Area Reviews.
- The NUC graduation ceremony was scheduled for Saturday 21 November and all governors were invited to attend.
- The NHCL Board was in the process of negotiating a termination agreement with New Horizons Corporate.

The Board thanked Andrew Hughes and the Principal for their hard work in progressing these negotiations.

*Linda Jordan and Nnenna Ayanwu joined the meeting at this point.*

## **15/60 MEMBERSHIP**

A verbal report on the recommendations of the Search Committee at its meeting held prior to this meeting was received from the Chair.

The Board noted that:

- The Committee had considered the Code of Governance for English Colleges and recommended it to the Board for adoption in principle.
- Compliance against the Code would be monitored at Board level.

The Board **agreed** to adopt the Code of Governance for English Colleges.

The Board noted:

- The Search Committee had considered the Board succession planning strategy and had agreed revisions to it. The revised strategy would be circulated to the Board.
- The recommendation from the Committee to revise the determined number of board members in order to broaden the skills set on the board. Candidates with HE and audit experience were being sought.

The Board **agreed** to increase the determined board membership from thirteen to fifteen.

The Chair reported that Andrew Clark had accepted the role of Chair Designate and would be taking up the role of Chair next year, whilst working closely with the Chair and the Principal during the year on various areas, especially the Alliance.

Quintin Peppiatt informed the Board of his decision to step down next year,

which would leave the two posts of Vice Chair vacant.

### **Local Area Reviews Briefing**

The Board noted that:

- This was a root and branch review of FE and sixth form colleges that was mainly driven by funding reductions;
- There was a drive towards the reduction of duplication of post 16 provision and a move towards specialisation.
- It was important that lower level qualifications were not undervalued in the skills agenda and that the College was positioned to show its areas of strength.
- It was expected that more cuts would be announced during the Spending Review at the end of November.

The Board also noted that:

- Colleges would survive if they formed alliances that could commit to making efficiency gains of up to 40%.
- The College had a unique relationship with the London Borough of Newham which should be of benefit as it is envisaged that the London Area Reviews would be aligned with the local government devolution areas.
- The College had been offered support for preparation for the Area Review from the borough's policy staff.

The Board agreed **that**:

- A strategic group comprising the membership of the Financial Management Group would be formed, to consider emerging issues from the area reviews.
- Linda Jordan and Kim Bromley-Derry agreed to join the Group.
- Dialogue with schools needed to start immediately, ahead of the Reviews.
- Curriculum and other college level data would need to be collated in addition to the skills related data already held by the borough in preparation for the Reviews.

### **15/60 GOVERNORS SCORECARD**

A report was considered and received. The Board noted:

- The dashboard was reporting on the Group not just the College to keep it aligned with College's Strategic and Financial Recovery Plans.
- The scorecard would be presented differently at the next Board meeting to reflect further work undertaken to align reporting.

### **15/61 FINANCE REPORT FOR PERIOD ENDED 31<sup>st</sup> JULY 2015**

A report was considered and received. The Board noted that:

- The College Group was currently shows an operating deficit of £1,072k (against the approved budget deficit of £1,166k) as at end July 2015 (provisional outturn).
- The College's current operating position is a deficit of £897k (against a budgeted deficit of £1,545k) and a forecast deficit of £897k as at the end of July 2015 (provisional outturn).
- The agreement between Newham Foundation and the Collegiate Centre was cost neutral to the College.

## **15/62 BUDGET UPDATE 2014/15**

A report was considered and received. The Board noted:

- Further to the Board meeting in July, additional funding cuts were announced in late July 2015 by the Skills Funding Agency. This included a further 3.9% cut in the Adults Skills budget, amounting to £0.3m, and the removal of the ESOL mandated income, amounting to £0.8m. In total this meant that the Group had a reduction of £1.1m on its income.
- Having set the budget initially to achieve a small surplus of £47k for the 2015/16 financial year, these additional cuts meant that College management had to carry out an immediate detailed review of all expenditure and reductions in staff and non-staff expenditure were made. The effect of this exercise was that a revised financial plan was produced which maintained a small surplus of £47k for the financial year 2015/16.

The Board agreed:

- To approve the revised Board objectives as detailed in the report and as set out in the two year financial plan

## **15/63 TWO YEAR FINANCIAL PLAN UPDATE**

A report was considered and received. The Board noted :

- The revised budget for 2015/16 and plan for 2016/17 as well as the budget assumptions.
- The increase in apprenticeships would be mostly in-house and it was the College's intention to over-deliver this year.
- If the college continued to achieve 'satisfactory' financial health for two years, the SFA Notice of Concern would be lifted.
- The SFA had announced its intention to publish the list of colleges who had received a Notice of Concern and the College had a media statement ready should the need for one arise.

The Board **agreed**:

- To approve the provisional 2015/16 budget for the College Group generating an operating surplus of £47k.
- Approve a provisional 2015/16 College revenue budget generating an operating deficit of -£408k.

The Board **recommended** that:

- Checks should be carried out to assess the impact, of any of salary savings on the pension deficit.

## **15/64 FUNDING PERFORMANCE 2014/15**

A report was considered and received. The Board noted :

- 16-18 recruitment was better than last year at 95% of target.
- 107% of 24+ loans had been taken up due to staff ensuring that paperwork was completed during enrolment.
- HE numbers, although better than last year was still not meeting target.

The Board **agreed** that:

- HE offer should be reviewed by ASPC with a view broadening the offer to meet local needs.

**15/65 ANNUAL CYCLE OF BUSINESS**

A report was considered and received.

The Board **agreed** that:

- The Chair and Vice Chair would review the report and any changes would be sent to the Clerk.

**15/66 ALLIANCE UPDATE**

A report was considered and received. The Board noted :

- Tower Hamlets and Redbridge Colleges are in the process of a merger, and remained committed to the Alliance.
- The curriculum quality agenda was being worked on and would be accelerated.

The Board **agreed** that:

- A timetable should be developed so that matters with the Alliance worked in parallel with work on the Area Reviews.

**15/67 ACCOMMODATION STRATEGY UPDATE**

A report was considered and received. The Board noted :

- The report had been considered by the Capital Programme Committee.
- Further work had identified that it was not feasible to base the College's long-term accommodation strategy on either a one or a two campus model taking account of the poor condition of existing buildings at East Ham and Stratford.
- In the short term, use of existing accommodation assets at both Stratford and East Ham will be 'sweated' so as to enable their more intensive, efficient and effective use; and surplus accommodation will be mothballed.
- College management was taking urgent action to address a range of estates statutory compliance issues.
- When the Area Reviews are undertaken, a different picture may emerge.

The Board **agreed** that:

- Options should be worked up for a new build single main campus at a town centre location in East Ham. Discussions should take place with the College's principal strategic partner, Newham Council, to identify mutually beneficial options for this.
- Other collaboration options with potential strategic occupiers should be considered;
- Options around leasing should be explored as well as development of sites rather than sale.

**15/68 ANNUAL REVIEW OF THE FINANCIAL AND TREASURY STRATEGY**

A report was considered and received. The Board noted:

- The strategy underpinned the preparation of the College's annual revenue budget for 2015/16 and the two year financial plan.

The Board **agreed**:

- To approve the College's Financial and Treasury Strategy and the financial objectives within the strategy.

**15/69 GOVERNANCE**  
**15/69/01 Code of Governance for English Colleges**  
This item was discussed under 15/60.

**15/69/02 Draft Calendar 2015/16**

A report was considered and received. The Board noted:

- The need to change either the day or venue of Board meetings.

The Board **agreed** that:

- Meetings would continue to take place on Tuesdays but at Stratford Campus.
- The Clerk would send out a revised calendar of meetings.

**14/55/03 Link Governor Protocol**

A report was considered and received. The Board **agreed**:

- To appoint Andrew Edwards as the Student Voice Link Governor
- To appoint Linda Jordan as the SEND Link Governor.
- To make further appointments if a need was identified.

**15/70 BOARD MINUTES AND COMMITTEE REPORTS**

**15/70.1 Minutes and matters arising from the meeting of the Board held on 14<sup>th</sup> July 2015**

The minutes were received and agreed as a correct record. All matters arising had been reported on the agenda.

**15/71 BOARD TRAINING PROGRAMME 2015/16**

A report was considered and received. The Board noted:

- The new format of the training programme.

It was **agreed**:

- That members would advise the Clerk if they had any other training needs.
- The Clerk would circulate an updated plan with dates.

**15/72 REVIEW OF CONSTITUTIONAL MATTERS**

**15/72.1 Membership of the Board's Committees**

A report was considered and received.

It was **AGREED** that:

- Andrew Clark would come off the Staff Consultative Committee and the Student Consultative Forum and become a member of the Search Committee;
- Linda Jordan would come off the Search Committee;
- Andrew Edwards would become a member of the Audit Committee;
- Kim Bromley-Derry would become a member of the Capital Programme Committee.
- The Chair and Vice Chairs of the various committees would remain as they were for 2014/15.

**15/72.2 Terms of Reference of the Board's Committees**

A report was considered and received. The Board **agreed**:

- To approve the Terms of Reference of the Board's Committees,
- The Terms of Reference would go to each committee.

### **15/72.3 Code of Conduct for Corporation Members**

A report was considered and received. The Board **agreed**:

- To approve the Code of Conduct for Corporation Members for 2015/16.

### **15/72.4 Register of Interest**

A report was considered and received. The Board **agreed**:

- To approve the format of the Register of Members Interests for 2015/16.

### **15/72.5 Standing Orders**

A report was considered and received. The Board **agreed**:

- To approve the Standing Orders for the Conduct of Corporation meetings and related issues for 2015/16.

## **15/73 ANNUAL REPORTS 2014/15**

### **15/73.1 Health & Safety Annual Report**

A report was considered and received.

### **15/73.2 Campus Management Service Annual Report**

A report was considered and received.

### **15/73.3 Customer Complaints and Compliments 2014/15**

A report was considered and received. The Board noted that fewer complaints had been received in 2014/15 than in the previous year.

The Board **recommended** that

- A revised report should be produced to show the number of complaints received from learners compared to the total number of learners.
- The report should include trends and should be circulated to the Board by email.

### **15/73.4 Equality & Diversity Annual Report**

A report was considered and received. The Board **asked** for further information on the match in student population to the diversity of the area.

### **15/73.5 Overseas Travel 2014/15**

A report was considered and received.

### **15/73.6 Freedom of Information requests**

A report was considered and received.

### **15/73.7 Report on the use of the Corporation Seal**

A report was considered and received.

## **15/75 CONFIDENTIAL MINUTES**

*14/61.1 Board Minutes and matters arising  
Confidential Minute*

**15/76 FINANCIAL RECOVERY PLAN**

*Confidential Minute  
The report was received.*

**15/77 LICENCES TO OCCUPY**

*Confidential Minute  
The report was received.*

**15/77 HUMAN RESOURCES ANNUAL REPORT 2014/15**

*Confidential Minute  
The report was received.*

**15/78 SAFEGUARDING ANNUAL REPORT 2014/15**

*Confidential Minute  
The report was received.*

**15/79 SUB-CONTRACTING AUTHORISATION**

*Confidential Minute  
The report was received.*

**15/80 SUBSIDIARY COMPANIES**

*Confidential Minute  
The report was received.*

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Signed as a correct record

Parin Bahl Chair of the Board